



**Purchasing Contract  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.:** 16  
**AGENDA DATE:** Thu 10/06/2005  
**PAGE:** 1 of 3

**SUBJECT:** Authorize execution of a contract with RIATA ENTERPRISES, Manchaca, TX, for the demolition and re-construction of two single family homes for Austin Energy's Holly Good Neighbor Program in an amount not to exceed \$143,241.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in the Fiscal Year 2005-2006 Holly Good Neighbor Program, administered by the Neighborhood Housing and Community Development Department.

**FISCAL NOTE:** There is no unanticipated fiscal impact. A fiscal note is not required.

<b>REQUESTING</b> Purchasing	<b>DIRECTOR'S</b>
<b>DEPARTMENT:</b> for Neighborhood	<b>AUTHORIZATION:</b> <u>Vickie Schubert</u>
Housing and Community	
Development;	

**FOR MORE INFORMATION CONTACT:** Mick Osborne, Senior Buyer/974-2995

**PRIOR COUNCIL ACTION:** N/A

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** Low bid of six bids received.

**MBE / WBE:** This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). 18.1% MBE and 10.7% WBE subcontractor participation.

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This contract will provide for the demolition and re-construction of two single family homes in the Holly neighborhood.

The Neighborhood Housing and Community Development Department (NHCD) in partnership with Austin Energy's Holly Good Neighbor Program, are constructing, repairing and preserving affordable housing in the Holly neighborhood through a home repair program administered by NHCD and funded by Austin Energy's Holly Good Neighbor Program. NHCD has been allocated a total of \$1,080,000 in Fiscal Years 2003 - 2005 for the Holly Good Neighbor - Home Repair Program. Only homes in close proximity to the electric generation facility are eligible for this program. 102 households have enrolled in this program since inception last year. Of those homes enrolled, 84 homes have received repair services including three homes that were demolished and a new home was built to replace the old home. Like the two homes identified in this contract, these three homes suffered from multiple system failures where repairing only one component would not adequately address the health, safety and structural problems of the existing structure.

A seventy five thousand dollar (\$75,000) loan is placed on each home. The no-interest loan balance is reduced by equal amounts each year that the home remains owned by the original family. After fifteen years the loan is completely forgiven. If the home is sold or refinanced at any point, the loan balance is due and payable to the City of Austin.



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PAGE: 2 of 3**

Participation goals stated in the solicitation were 12.84% MBE and 5.67% WBE. The recommended firm provided a Compliance Plan which was approved by the Department of Small Minority and Business Resources.

MBE/WBE Solicited: 17/5

MBE/WBE Bid: 0/0

**BID TABULATION  
IFB # MO05300299A  
Demolition and Reconstruction of Two Homes**

<b><u>VENDOR</u></b>	<b><u>PRICE</u></b>
<b>RIATA ENTERPRISES MANCHACA, TX</b>	<b>\$143,241</b>
Ilcor Homes Austin, TX	\$158,700
Ray D. Ates General Contractor Austin, TX	\$198,000*
Prestigioso Construction Pflugerville, TX	\$211,756*
Marcor Remediation Austin, TX	\$268,686
Tall Timber Construction Austin, TX	\$279,120

\*Non-responsive- did not submit M/WBE Compliance Plan

<b><u>PRIME: RIATA ENTERPRISES</u></b>	<b><u>\$101,947</u></b>	<b><u>71.2%</u></b>
Subcontractors:		
<b><u>MBE</u></b>	<b><u>\$25,998</u></b>	<b><u>18.1%</u></b>
<b>HISPANIC</b>		
LMH Plumbing (MH) Georgetown, TX (Plumbing, electrical)	\$21,540	15.0%
H. A. Guerrero Carpet Cleaners (MH) Austin, TX (Carpeting)	\$4,458	3.1%
<b><u>WBE</u></b>	<b><u>\$15,296</u></b>	<b><u>10.7%</u></b>



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**PAGE:** 3 of 3

Austin Lumber Co. (FR)  
Austin, TX  
(Lumber)

\$15,296

10.7%

**PRICE ANALYSIS**

- a. Adequate competition.
- b. One hundred nineteen notices were sent, including 17 MBEs and five WBEs. Eighteen solicitations were issued, including two MBEs and no WBEs. Six bids were received, with no MBE/WBE firms responding.

**APPROVAL JUSTIFICATION**

- a. Low bid.
- b. Neighborhood Housing and Community Development concurs with the recommended award.
- c. Advertised in the Austin American-Statesman and Internet.